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PROPOSAL
FOR THE
TOOLING AND DEVELOPMENTAL PRODUCTION
OF
FOUR STYLES OF PLASTIC MAGNETIC BOXES

11 May 1959

25X1

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~~CONFIDENTIAL~~INTRODUCTION

Several years ago the need arose for the small scale preparation of four different sizes of hand made plastic magnetic boxes and simple tooling was developed to handle the production of such items. From time to time, additional boxes have been required and during last summer a further order was undertaken under RD 45, Task Order N, by which time it was found that the tooling required considerable re-work due to warpage. As the process could only be performed using heat cured plastics (vinyl plastisol), it required the preparation of a very large number of units in order to obtain a comparatively small number of satisfactory parts. This entailed a very considerable wastage in labor and material, and since that time a further problem has arisen, namely, the high degree of shrinkage after several months of ambient storage.

SCOPE

At the request of the project officer, this company undertook the tentative paper design of four modified plastic magnetic boxes with a view of eventually preparing the above by injection molding techniques. Further, these drawings were submitted to tooling and injection molding companies, and the attached cost estimate reflects the tooling necessary to furnish the proper molded parts.

In view of the extremely high tooling cost, this company does not intend to charge a fee on this portion of the cost. In addition to the above work, complete specifications and drawings will be supplied at the conclusion of the task.

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This company, therefore, proposes to undertake the manufacture and assembly of a developmental production of 500 boxes of each of the four sizes. Following assembly, it is proposed to pack the units in a similar manner to the Clams.

WORK PLAN

It is suggested that the contract be written to cover a six months' working period, however, it is expected that the actual production should be completed within three to four months. At the time of writing, there is a ten weeks' delay in delivery for the tooling. The part-time services of two technicians and one supervisor for the full period will be required.

It should also be noted that the figures for materials and tooling are only firm for a period of ninety days and any delay beyond this period may necessitate additional funding.

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CONFIDENTIAL~~SECRET~~COST ESTIMATEBREAK-DOWN OF MATERIAL COSTS

Magnets	4000 Small	\$ 1,600.00	freight extra
"	2000 Large	690.00	" "
Brackets for Box 1		243.00	
"	" " 2	155.00	
"	" " 3	146.00	
Springs, four different types		350.00	
500 sets plastic parts for Box 1		800.00	freight extra
"	" " " " 2	530.00	" "
"	" " " " 3	475.00	" "
"	" " " " 4	540.00	" "
Set-up charge for two dies (\$75.00 each)		<u>150.00</u>	
	Total	\$ 5,679.00	

Tooling for all boxes, magnets & inserts	\$ 4,285.00
Tooling & set-up charge for Bracket Box 1	315.00
" " " " " " 2	260.00
" " " " " " 3	<u>260.00</u>
Total	\$ 5,120.00*

*No fee will be charged against this item.

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CONFIDENTIALCOST ESTIMATE IFor Single Color Boxes Only

300 hrs. Engineering labor	@	\$2.50	\$	750.00
120 hrs.	"	"	@	\$4.00
				<u>480.00</u>

Sub Total I \$ 1,230.00

Engineering Overhead	@	120%		<u>1,476.00</u>
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Sub Total II \$ 2,706.00

Jigs & Fixtures, No Charge (available from previous contract)	-----
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Materials & Purchased Parts	\$5,679.00
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Travel & Miscellaneous	100.00
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Freight, Packing & Packaging	<u>200.00</u>
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Sub Total III 5,979.00

Sub Total IV \$ 8,685.00

G & A	@	7%		<u>608.00</u>
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Sub Total V \$ 9,293.00

Fee	@	8%		<u>743.00</u>
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Sub Total VI \$10,036.00

Tools	\$	5,120.00
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G & A	@	7%	<u>358.00</u>
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Sub Total VII 5,478.00

Fee	@	8% (excluded)	-----
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Total	\$15,514.00
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